

## U.S. Department of Justice

United States Attorney
Eastern District of Wisconsin

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News Summary March 16, 2009

## Real Estate Broker Found Guilty of Soliciting Kickback for Attempted Sale of State Office Building

Acting United States Attorney Michelle L. Jacobs announced that real estate broker Larry J. Lupton (age: 33) of Brookfield has been found guilty of soliciting a kickback in connection with the State of Wisconsin's attempted sale of a thirty million dollar state office building in downtown Madison. After hearing testimony and receiving evidence during a court trial earlier this month, United States District Judge Lynn Adelman today issued a written decision in which he found Lupton guilty on all four counts charged in the indictment: bribery, wire fraud, and two counts of making false statements to an agent with the Federal Bureau of Investigation.

Judge Adelman found that Lupton solicited a payment from a particular buyer's broker in exchange for steering the sale to that broker's client. More specifically, Lupton asked the broker for a \$75,000 kickback and suggested to the broker that the payment could be in the form of cash paid directly to Lupton or a consulting fee paid to a defunct company that Lupton owned; either form of payment would allow Lupton to conceal it from the state and from Equis Corporation, the real estate firm that had retained Lupton as an independent contractor. In exchange for the payment, Lupton disclosed to the broker the specific bid information that had been submitted by the top competitor.

Lupton's scheme was designed to deceive Equis and the state, and to obtain money for Lupton. He breached a number of duties that he owed to the state and to Equis, including by elevating his own personal financial interests over the interests of his client, the State of Wisconsin.

Lupton made materially false statements to the Federal Bureau of Investigation during the agency's investigation of the kickback scheme.

This case was investigated by the Wisconsin Department of Justice - Division of Criminal Investigation and the Federal Bureau of Investigation. It was prosecuted by United States Attorneys Gregory Haanstad and Matthew Jacobs.

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